

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 4, 1999

H.R. 1693

A bill to amend the Fair Labor Standards Act of 1938 to clarify the overtime exemption for employees engaged in fire protection activities

As ordered reported by the House Committee on Education and the Workforce on November 3, 1999

H.R. 1693 would amend the Fair Labor Standards Act of 1938 (FLSA) to clarify the definition of an employee involved in fire protection activities. Under this bill, that definition would include medical and rescue workers who are employed by the fire department of a municipality, county, fire district, or state and who respond to emergency situations. CBO estimates that enacting H.R. 1693 would have no impact on the federal budget.

Under provisions of the FLSA, the Department of Labor may assess civil monetary penalties against employers that willfully violate the maximum hour statutes of the act. However, according to the department, no fines have been assessed for violations involving the definition of fire protection activities in recent history, nor are any fines contemplated in the future. Therefore, CBO estimates that future receipts would not be affected by this change. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

H.R. 1693 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on the budgets of state, local, or tribal governments. By expanding the definition of employees engaged in fire protection activities, state and local governments would gain flexibility in scheduling emergency medical workers and hazardous materials workers for firefighting duties without incurring overtime costs.

The CBO staff contacts are Christina Hawley Sadoti for federal costs and Susan Sieg for the state and local impact. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.